

409.

This bill provides unemployment insurance for certain State and local government employees, and, with minor exception, is identical to House Bill 578.

My objection to Senate Bill 409 is to its provision that, although employment services rendered after March 31, 1975, are covered, benefits cannot begin until the termination of the Federal supplemental unemployment assistance program. According to the United States Department of Labor, that provision would make the Maryland law inconsistent with the Federal Act authorizing the supplemental unemployment assistance program (P.L. 93-567) and with the Agreement entered into between the Department of Labor and the State.

The effect of this inconsistency, according to the Employment Security Administration, may be to cause the Department of Labor to refuse to reimburse the State for supplemental unemployment benefits paid under that program. In the first four months of 1975, nearly \$1,000,000 in such benefits were paid to over 5,000 claimants. The cost to the State, on an annualized basis, if it received no federal reimbursement, could approximate \$3,000,000 - a cost it cannot afford.

Whatever the merits of extending unemployment insurance coverage to public employees may be, I cannot jeopardize the existing program of supplemental benefits, so sorely needed at this time.

For this reason, I have vetoed Senate Bill 409.

Sincerely,
/s/ Marvin Mandel
Governor

Senate Bill No. 442 - Water Quality Loan Act

AN ACT concerning

Water Quality Loan of 1975

FOR the purpose of authorizing the creation of a State debt in the aggregate amount of Fifty Million Dollars (\$50,000,000), the proceeds thereof to be used to provide State grants to assist in the construction and equipping of sewage treatment